United Nations A/68/866

General Assembly

Distr.: General
8 May 2014

Original: English

Sixty-eighth session
Agenda item 161
Financing of the United Nations Mission in the Sudan

Final disposition of assets of the United Nations Mission in the Sudan

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Mission in the Sudan (UNMIS) (A/68/709). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with responses received in writing on 7 May 2014.

2. The mandate of UNMIS was established by the Security Council in its resolution 1590 (2005). In its resolution 1997 (2011), the Council decided to withdraw UNMIS effective 11 July 2011, and called upon the Secretary-General to complete withdrawal of all uniformed and civilian UNMIS personnel, other than those required for the Mission's liquidation, by 31 August 2011.

II. Final disposition of the assets

3. The Secretary-General indicates that the assets of UNMIS, with an inventory value of $293,013,900, were disposed of as at 31 July 2013. It is further indicated that the process of liquidating the assets of UNMIS was guided by the principles and policies contained in United Nations financial regulation 5.14. The details concerning the classification and disposition of the assets of UNMIS are contained in section IV of the Secretary-General's report. The assets have been categorized into three groups (see A/68/709, table 3):

- Group I: assets transferred to other missions or the United Nations Logistics Base for temporary storage
- Group II: assets disposed of in the mission area through sale or donation
- Group III: assets written off, lost or stolen

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4. In paragraph 14 of the report, the inventory value of the assets in group I is shown as $242,978,300 (82.9 per cent of the total inventory value of the Mission's assets). The Advisory Committee notes that the report of the Secretary-General does not include the residual value of the assets in group I, although it does provide the residual value of the assets in groups II and III. Upon enquiry the following table showing the inventory and residual values of all assets disposed of, including in group I, was provided to the Advisory Committee.

Inventory and residual values for assets in groups I, II and III

(Thousands of United States dollars)

	Inventory value	*Residual value*
Group I: transferred to other missions or the Logistics Base for temporary storage	242 978.3	114 312.8
Group II: disposed of in the mission area		
Sold	2 272.4	603.6
Donation to the Government of the Sudan	6 276.2	2 114.8
Donation to the Joint Integrated Units	47.4	25.6
Group III: written off/lost		
Written off	38 416.7	12 244.4
Lost or stolen	3 022.8	1 039.4
Total	**293 013.9**	**130 340.6**

5. **In this context, the Advisory Committee reiterates its earlier recommendation that fuller information on the final disposition of assets be provided in future reports of the Secretary-General, including the residual value of all groups of assets** (see A/63/773, para. 7).

6. According to the information provided to the Advisory Committee, the sale values of several assets are below their residual values, while the sale values of some other assets are above their residual values. **In this context, the Committee recommends that in the disposition of assets of liquidating missions, every effort should be made to ensure that fair market value is realized from the sale of all assets.**

Assets identified for donation to the Government of the Sudan

7. In section II of his report, the Secretary-General indic ates that, in the context of the liquidation of UNMIS, assets with an inventory value of $6,276,200 (corresponding residual value: $2,114,800), representing 2.1 per cent of the total inventory value of the Mission's assets, were identified for donation to the Government of the Sudan, free of charge (see A/68/709, table 1).

Assets identified for donation to the Joint Integrated Units

8. In section III of the report, it is indicated that UNMIS identified for donation to the Joint Integrated Units, free of charge, assets with an inventory value of $47,400 (corresponding residual value: $25,600), representing 0.02 per cent of the total inventory value of the Mission's assets (see A/68/709, table 2). The Advisory

Committee notes the absence in the Secretary-General's report of essential information, such as that included in paragraphs 9 and 10 below, pertaining to the proposed donation to the Joint Integrated Units.

9. The Advisory Committee was informed upon enquiry that the Joint Integrated Units were military units intended to provide a unified military capability to meet internal security needs during the six-year interim period prior to the referendum. The Committee was further informed that, as noted in the special report of the Secretary-General on the Sudan (S/2011/314), the dissolution process of the Joint Integrated Units was officially completed on 9 April 2011.

10. The Advisory Committee was further informed that the assets were delivered to the Joint Integrated Units on 11 August 2009, and consisted of 14 sea containers, details of which are annexed to the present report.

11. **The Advisory Committee notes that the assets were delivered to the Joint Integrated Units prior to the official liquidation of UNMIS in July 2011. In this context, the Committee recalls regulation 5.14, which governs the disposal of property following the liquidation of a peacekeeping mission, and considers that the proposed donation of assets to the Joint Integrated Units cannot be governed by that regulation. In the light of the information provided, the Committee further considers that the proposed donation to the Joint Integrated Units falls within the purview of rule 105.23 of the financial regulations and rules of the United Nations.**

12. **The Advisory Committee therefore considers that the Secretary-General's report should have provided full information pertaining to the proposed donation of assets to the Joint Integrated Units. The Committee trusts that in the future, appropriate procedure will be followed with respect to the disposition of assets of the peacekeeping missions, both prior to and following their liquidation, and pertinent information in this regard will be made available in full in the reports of the Secretary-General.**

Assets written off, lost or stolen

13. The inventory value of assets written off, lost or stolen totals $41,439,500 (corresponding residual value: $13,283,800), representing 14.1 per cent of the total inventory value of the Mission's assets (see A/68/709, table 5). According to the supplementary information provided, the lost or stolen assets include data processing equipment with an inventory value of $713,501 (residual value $253,764) and prefabricated buildings with an inventory value of $185,585 (residual value $78,187).

14. The Advisory Committee requested information concerning the personnel in possession of the data processing equipment before such equipment was declared lost or stolen as well as the circumstances in which the prefabricated buildings were lost, but the information was not made available. **The Committee notes with concern the lack of full information on assets reported lost or stolen. The Committee expects that in the future, at the time of recording such instances of loss or theft, full details, including the personnel in possession of the assets prior to the loss or theft, and the circumstances in which such loss or theft occurred, will also be recorded.**

III. Conclusion

15. The action to be taken by the General Assembly in connection with the financing of the United Nations Mission in the Sudan is contained in paragraph 17 of the report of the Secretary-General (A/68/709). **Subject to its comments and observations made in the paragraphs above, the Advisory Committee recommends that the General Assembly:**

(a) **Approve the donation of assets with an inventory value of $6,276,200 and corresponding residual value of $2,114,800 to the Government of the Sudan on a free-of-charge basis;**

(b) **Approve the donation of assets with an inventory value of $47,400 and a corresponding residual value of $25,600 to the Joint Integrated Units on a free-of-charge basis;**

(c) **Take note of the report of the Secretary-General.**

Annex

Assets donated to the Joint Integrated Units

Description of item	*Inventory value (United States dollars)*	*Residual value (United States dollars)*
Container, sea container 20 ft.	3 257.69	2 280.38
Container, sea container 20 ft.	2 919.95	2 043.97
Container, sea container 20 ft.	3 257.69	2 280.38
Container, sea container 20 ft.	3 257.69	2 280.38
Container, sea container 20 ft.	3 257.69	2 280.38
Container, sea container 20 ft.	3 257.69	2 280.38
Container, sea container 20 ft.	3 257.69	2 280.38
Container, sea container 20 ft.	3 257.69	2 280.38
Container, sea container 20 ft.	4 101.32	1 317.75
Container, sea container 20 ft.	2 700.00	867.51
Container, sea container 20 ft.	4 000.00	1 285.20
Container, sea container 20 ft.	4 000.00	1 285.20
Container, sea container 20 ft.	3 615.70	1 518.60
Container, sea container 20 ft.	3 250.00	1 365.00
Total	**47 400**[a]	**25 600**[a]

[a] Rounded.